

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 91-071-C - ORDER NO. 91-442 ✓
MAY 17, 1991

IN RE: Application of Greenville Cellular) ORDER GRANTING
Telephone Company for a Certificate) CERTIFICATE OF
of Public Convenience and Necessity) PUBLIC CONVENIENCE
) AND NECESSITY

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of an Application of Greenville Cellular Telephone Company (the Company) requesting issuance of a Certificate of Public Convenience and Necessity to operate as a radio common carrier and for the establishment of rates and charges to provide a new Domestic Public Cellular Radio Telecommunications Service to the public in the Oconee County, South Carolina area which is Rural Service Area (RSA) No. 1. The Applicant seeks a Certificate for the purpose of providing domestic public cellular radio telecommunications service in SC-RSA No. 1 on an interim basis until such time as an application for permanent authority in this service area has been approved by the Federal Communications Commission (FCC).

The Company's January 25, 1991, application was filed pursuant to S.C. Code Ann. §58-11-100 (1976), as amended, and/or 103-821 of Commission's Rules of Practice and Procedure. By letter dated February 8, 1991, the Commission's Executive Director

instructed the Company to publish a prepared Notice of Filing in newspapers of general circulation, in the affected areas, once a week for two (2) consecutive weeks and to provide the Commission's Executive Director with proof of publication on or before March 21, 1991. The Notice of Filing indicated the nature of the Company's Application and advised all interested parties desiring participation in the scheduled proceeding of the manner and time in which to file the appropriate pleadings. The Company was likewise required to notify all customers affected by the proposed rates and charges. On February 22, 1991, the Applicant filed the proper affidavits of publication.

On February 6, 1991, the Applicant also filed with this Commission a Federal Communications Commission public notice issued January 31, 1991, indicating that Greenville Cellular Telephone Company has received authority from the Federal Communications Commission to provide interim service to the Oconee RSA, South Carolina RSA No. 1.

No Petitions to Intervene or Protest were received with regard to this filing. A public hearing relative to the matters asserted in the Company's Application was held on May 8, 1991, at the Hearing Room of the Commission, at 111 Doctors Circle, Columbia, South Carolina. The Applicant was represented by John F. Beach, Esquire, and the Commission Staff was represented by F. David Butler, Esquire.

The Company presented the testimony of Jack Plating. Pursuant to the testimony of Mr. Plating and the record in this

case, the Commission makes the following findings and fact and conclusions of law:

FINDINGS OF FACT

1. The Company is a general partnership that was formed in 1984 for the purpose of constructing and operating a cellular system and providing cellular services in the Greenville-Spartanburg MSA. Majority and controlling partner of the Company is Metro Mobile CTS of Greenville, Inc. which currently owns an 88.9% share in the partnership. Metro Mobile CTS of Greenville Inc. is a wholly owned subsidiary of Metro Mobile CTS, Inc. The remaining 11.11% interest in Greenville Cellular is held by M-Pact Ltd, another wholly owned subsidiary of Metro Mobile CTS, Inc. Thus, Metro Mobile CTS, Inc. ultimately controls 100% of Greenville Cellular.

2. The Company was certified by this Commission in Order No. 85-629, Docket No. 85-46-C, to provide domestic public cellular radio telecommunications service in the Greenville-Spartanburg MSA. The Company has provided this service since 1985.

3. The FCC has decided that two cellular carriers, a wireline carrier and an non-wireline carrier, will service the designated RSA's throughout the United States. The FCC conducted lotteries to determine which wireline and non-wireline carriers would be given the opportunity to serve each RSA.

4. With regard to the non-wireline lottery, Asset Management Corporation won, but its application for permanent

authorization was rescinded by the FCC. As a result RSA No. 1 (Oconee County) has no known non-wireline cellular provider and no application for permanent authority is currently pending before the FCC.

5. The absence of a non-wireline carrier could adversely affect South Carolina's cellular customers. The absence of competition would cost cellular customers in both RSA No. 1 in the surrounding geographic areas to suffer.

6. If a wire line carrier was allowed to develop in a market unhindered by the competitive pressure of a non-wireline carrier, it could easily obtain market power in a short period of time. The presence of this market power could inhibit robust growth of the non-wireline carrier, and might adversely affect both the price and quality of service available to customers located in Oconee County.

7. The Company is prepared to offer cellular service in RSA No. 1. The Commission finds that the provision of service by the Company to the area will preserve the FCC requirement of a two carrier system, thus promoting competition.

8. Greenville Cellular Telephone Company can effectuate economies of scale and the early initiation of service by employing a single switch and a unified management, accounting and marketing structure all of which are already in place, to provide service to the Oconee RSA. The capabilities presently existing in Greenville and Anderson, together with the facilities proposed in the Company's Application will be sufficient to provide RSA No. 1

with non-wireline cellular service, since the Company will provide full cellular service to the market as an adjunct to the Greenville and Anderson MSA's.

9. The FCC has already approved the Company's Application for interim authority at the Federal level. On January 31, 1991, a public notice of this approval was issued.

10. The Greenville Cellular Telephone Company is fit, willing and able to provide cellular service to the Oconee RSA on an interim basis, since it has demonstrated a fitness, willingness and ability to finance and operate the cellular system proposed in Oconee County.

11. The Certificate of Public Convenience and Necessity as requested by the Company should be granted.

12. The Company should be allowed to apply its tariff SCPSC No. 1 which was previously approved by this Commission in PSC Docket No. 85-46-C to the service it shall render in SC-RSA No. 1.

IT IS THEREFORE ORDERED:

1. That the Application of Greenville Cellular Telephone Company for a Certificate of Public Convenience and Necessity to provide domestic public cellular radio telecommunications service in SC-RSA No. 1 on an interim basis until such time as an application for permanent authority in its service area has been approved by the Federal Communications Commission is hereby granted.

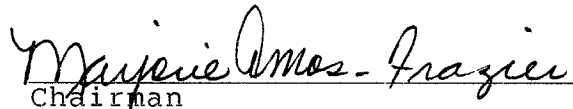
2. The Company shall duly inform the Commission upon approval by the Federal Communications Commission of any

application for permanent authority in the SC-RSA No. 1 service area by the Federal Communications Commission.

3. The Company shall apply its tariff SCPSC No. 1 previously approved by this Commission in PSC Docket No. 85-46-C to the service that it shall render in SC-RSA No. 1.

4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)